

103^D CONGRESS
2^D SESSION

H. R. 3841

AMENDMENT

In the Senate of the United States,

April 26 (legislative day, April 11), 1994.

Resolved, That the bill from the House of Representatives (H.R. 3841) entitled “An Act to amend the Bank Holding Company Act of 1956, the Revised Statutes of the United States, and the Federal Deposit Insurance Act to provide for interstate banking and branching”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***TITLE I—INTERSTATE BANKING***
2 ***AND BRANCHING***

3 ***SEC. 101. SHORT TITLE.***

4 *This title may be cited as the “Interstate Banking and*
5 *Branching Act of 1994”.*

6 ***SEC. 102. INTERSTATE BANKING.***

7 *(a) IN GENERAL.—Section 3(d) of the Bank Holding*
8 *Company Act of 1956 (12 U.S.C. 1842(d)) is amended to*
9 *read as follows:*

10 *“(d) STATE BOUNDARIES.—*

1 “(1) *APPROVALS AUTHORIZED.*—

2 “(A) *ACQUISITION OF EXISTING BANKS.*—

3 *The Board may approve an application under*
4 *this section to permit a bank holding company*
5 *that is adequately capitalized and adequately*
6 *managed to acquire control of, or all or substan-*
7 *tially all of the assets of, an existing bank lo-*
8 *cated outside of the home State of such bank*
9 *holding company.*

10 “(B) *EXISTING BANKS.*—*For purposes of*
11 *this subsection, a bank that does not open for*
12 *business and that has been chartered solely for*
13 *the purpose of acquiring control of, or all or sub-*
14 *stantially all of the assets of, an existing bank*
15 *shall be deemed to have been in existence for the*
16 *same period of time as the bank to be acquired.*

17 “(C) *COMMUNITY REINVESTMENT COMPLI-*
18 *ANCE.*—*In determining whether to approve an*
19 *application under subparagraph (A), the Board*
20 *shall consider the applicant’s record of compli-*
21 *ance with applicable Federal and State commu-*
22 *nity reinvestment laws.*

23 “(D) *STATE LAW.*—*Subject to paragraphs*
24 *(2), (4), and (6), a transaction approved under*
25 *subparagraph (A) may occur without regard to*

1 *whether such transaction is permitted under the*
2 *law of the State in which the bank to be acquired*
3 *is located.*

4 “(2) *CONCENTRATION AND OTHER LIMITS.*—The
5 *Board may not approve an application under para-*
6 *graph (1)(A) if—*

7 “(A) *the applicant controls, or upon com-*
8 *pletion of the acquisition would control, more*
9 *than 10 percent of the total deposits held by in-*
10 *sured depository institutions in the United*
11 *States, as determined under regulations of the*
12 *Board;*

13 “(B) *the applicant controls, or upon com-*
14 *pletion of the acquisition would control, 25 per-*
15 *cent or more of the total deposits held by insured*
16 *depository institutions in the State in which the*
17 *bank to be acquired is located, as determined*
18 *under regulations of the Board, except that the*
19 *State bank supervisor may waive the applicabil-*
20 *ity of this clause on a case-by-case basis if such*
21 *waiver does not have the effect of discriminating*
22 *against out-of-State banks, out-of-State bank*
23 *holding companies, or subsidiaries thereof; or*

24 “(C) *the acquisition would result in the ap-*
25 *plicant directly or indirectly controlling a bank*

1 *that has been in existence for a shorter period of*
2 *time, if any, than is prescribed by the law of the*
3 *State in which such bank is located in effect on*
4 *the date on which the application is filed with*
5 *the Board, only if such State law—*

6 “(i) *does not prescribe a period of more*
7 *than 5 years; and*

8 “(ii) *does not have the effect of dis-*
9 *criminating among out-of-State banks, out-*
10 *of-State bank holding companies, or subsidi-*
11 *aries thereof. A State law in effect on the*
12 *date of enactment of the Interstate Banking*
13 *and Branching Act of 1994 that permits*
14 *bank holding companies from only a limited*
15 *number of States to acquire banks in exist-*
16 *ence for a specified length of time in that*
17 *State, shall be interpreted, under State and*
18 *Federal law, as permitting bank holding*
19 *companies from any State, to acquire a*
20 *bank in that State, under the terms and*
21 *conditions of such State law.*

22 “(3) *EXCEPTION.—The Board may approve an*
23 *application under paragraph (1)(A), notwithstanding*
24 *any provision of paragraph (2), if such application*
25 *involves the acquisition of one or more banks in de-*

1 *fault or in danger of default or with respect to which*
2 *the Federal Deposit Insurance Corporation provides*
3 *assistance under section 13(c) of the Federal Deposit*
4 *Insurance Act.*

5 “(4) *NO EFFECT ON ANTITRUST LAWS.*—*Nothing*
6 *in this subsection affects Federal or State antitrust*
7 *laws that do not have the effect of discriminating*
8 *against out-of-State banks, out-of-State bank holding*
9 *companies, or subsidiaries thereof.*

10 “(5) *NO EFFECT ON STATE TAX AUTHORITY.*—*No*
11 *provision of this Act shall be construed as affecting*
12 *the authority of any State or political subdivision of*
13 *any State to adopt, apply, and administer any tax*
14 *or method of taxation to any bank, bank holding com-*
15 *pany, or foreign bank or to any affiliate of any bank,*
16 *bank holding company, or foreign bank to the extent*
17 *that such tax or tax method is otherwise permissible*
18 *by or under the Constitution of the United States or*
19 *other Federal law.*

20 “(6) *AFFECT ON STATE CONTINGENCY LAWS.*—
21 *Nothing in this subsection affects the applicability of*
22 *a State law that makes an acquisition of a bank con-*
23 *tingent upon a requirement to hold a portion of such*
24 *bank’s assets available for call by a State-sponsored*
25 *housing entity established pursuant to State law, if—*

1 “(A) the State law does not have the effect of dis-
2 criminating against out-of-State banks, out-of-State
3 bank holding companies, or subsidiaries thereof;

4 “(B) that State law was in effect as of the date
5 of enactment of the Interstate Banking and Branch-
6 ing Act of 1994;

7 “(C) the Federal Deposit Insurance Corporation
8 has not determined that compliance with such State
9 law would result in an unacceptable risk to the ap-
10 propriate deposit insurance fund; and

11 “(D) the appropriate Federal banking agency for
12 such institution has not found that compliance with
13 such State law would place the institution in an un-
14 safe or unsound condition.”.

15 (b) *TECHNICAL AND CONFORMING AMENDMENTS.*—
16 Section 2 of the Bank Holding Company Act of 1956 (12
17 U.S.C. 1841) is amended by adding at the end the following
18 new subsections:

19 “(n) *INCORPORATED DEFINITIONS.*—For purposes of
20 this Act, the terms ‘insured depository institution’, ‘appro-
21 priate Federal banking agency’, ‘in default’, ‘in danger of
22 default’, and ‘State bank supervisor’ have the same mean-
23 ings as in section 3 of the Federal Deposit Insurance Act.

24 “(o) *OTHER DEFINITIONS.*—For purposes of this
25 Act—

1 “(1) the ‘home State’ of a bank holding company
 2 is the State in which the total deposits of its banking
 3 subsidiaries were largest on July 1, 1966, or the date
 4 on which such company became a bank holding com-
 5 pany, whichever is later;

6 “(2) the ‘home State’ of a bank is—

7 “(A) in the case of a State bank, the State
 8 in which it was chartered; and

9 “(B) in the case of a national bank, in the
 10 State in which its main office is located; and

11 “(3) a bank holding company is ‘adequately cap-
 12 italized’ if it meets or exceeds all applicable Federal
 13 regulatory capital standards.”.

14 (c) *EFFECTIVE DATE.*—This section and the amend-
 15 ments made by this section shall become effective 1 year
 16 after the date of enactment of this Act.

17 **SEC. 103. CONVERSION OF BANKS TO BRANCHES.**

18 (a) *IN GENERAL.*—Section 3 of the Bank Holding
 19 Company Act of 1956 (12 U.S.C. 1842) is amended by add-
 20 ing at the end the following new subsection:

21 “(h) *INTERSTATE COMBINATIONS.*—

22 “(1) *IN GENERAL.*—

23 “(A) *COMBINATIONS AUTHORIZED.*—Begin-
 24 ning on June 1, 1997, a bank holding company
 25 having subsidiary banks located in more than 1

1 *State may combine 2 or more of such banks into*
2 *a single, resulting bank by means of a merger,*
3 *consolidation, or other transaction approved by*
4 *the appropriate Federal banking agency.*

5 *“(B) CONTINUED OPERATIONS.—A resulting*
6 *bank may, subject to the approval of the appro-*
7 *priate Federal banking agency, retain and oper-*
8 *ate as branches the main offices and any*
9 *branches which, immediately prior to the trans-*
10 *action, were being operated by any combined*
11 *bank or the resulting bank.*

12 *“(C) SURRENDER OF CHARTER AFTER COM-*
13 *BINATION.—On the date on which a combination*
14 *authorized by this paragraph becomes effective,*
15 *the charters of the combined banks shall be sur-*
16 *rendered to the regulatory authority that issued*
17 *the charters.*

18 *“(2) APPLICABILITY.—A combination under*
19 *paragraph (1) may only be effected in the case of a*
20 *merger, consolidation, or other transaction that is un-*
21 *dertaken by a bank holding company that is ade-*
22 *quately capitalized and adequately managed.*

23 *“(3) ACTIVITIES OF THE RESULTING BANK.—*

24 *“(A) ADDITIONAL BRANCHES.—Following*
25 *any combination effected under paragraph (1),*

1 the resulting bank may establish, acquire, or op-
2 erate additional branches at any location where
3 the resulting bank or a combined bank could
4 have established, acquired, or operated a branch
5 under the applicable Federal or State law as if
6 it had not been a party to such combination.

7 “(B) *INTRASTATE BRANCHING.*—Except as
8 expressly provided in this subsection, nothing in
9 this subsection shall be deemed to amend, repeal,
10 or preempt, either expressly or by implication,
11 any Federal or State law relating to the estab-
12 lishment, acquisition, or operation of intrastate
13 branches by national or State banks.

14 “(C) *CONDITIONS.*—Prior to granting ap-
15 proval to effect a combination under paragraph
16 (1), the appropriate Federal banking agency
17 shall consider each bank’s rating under the Com-
18 munity Reinvestment Act of 1977 and the com-
19 ments of the appropriate State bank regulatory
20 authorities regarding each bank’s compliance
21 with applicable State community reinvestment
22 laws.

23 “(D) *IMPOSITION OF SHARES TAX BY HOST*
24 *STATES.*—If any branch of an out-of-State bank
25 established pursuant to paragraph (1) or sub-

1 *paragraph (A) of this paragraph continues in*
2 *operation, a proportionate amount of the value*
3 *of the shares of the out-of-State bank may be sub-*
4 *ject to any bank shares tax levied or imposed by*
5 *any host State or political subdivision thereof*
6 *that imposes such tax based upon a method*
7 *adopted by the host State, which could include*
8 *allocation and apportionment.*

9 “(4) *ACTIVITIES OF BRANCHES.*—A State bank
10 *that establishes one or more branches in accordance*
11 *with paragraph (1) or paragraph (3)(A) may not*
12 *conduct any activity at any branch located in a host*
13 *State that is not permitted for banks chartered by*
14 *such host State.*

15 “(5) *APPLICABLE LAW.*—

16 “(A) *IN GENERAL.*—

17 “(i) *NATIONAL BANK BRANCHES.*—Any
18 *branch of a national bank that is estab-*
19 *lished as the result of a combination in ac-*
20 *cordance with paragraph (1) or paragraph*
21 *(3)(A) shall be subject to the laws of the host*
22 *State, including those that govern intrastate*
23 *branching, consumer protection, fair lend-*
24 *ing, and community reinvestment, as if it*

1 *were a branch of a national bank having its*
2 *main office in that State.*

3 “(ii) *STATE BANK BRANCHES.*—Any
4 *branch of a State bank that is established as*
5 *the result of a combination in accordance*
6 *with paragraph (1) or paragraph (3)(A)*
7 *shall be subject to the laws of the host State,*
8 *including those that govern intrastate*
9 *branching, consumer protection, fair lend-*
10 *ing, and community reinvestment, as if it*
11 *were a branch of a bank chartered under the*
12 *laws of such State.*

13 “(B) *FILING REQUIREMENT.*—A host State
14 *may require any bank located in another State*
15 *that wishes to establish a branch within the host*
16 *State as a result of a combination authorized by*
17 *paragraph (1) to comply with filing require-*
18 *ments that—*

19 “(i) *are not discriminatory in effect;*
20 *and*

21 “(ii) *are similar in their effect to and*
22 *are subject to similar sanctions as those*
23 *that are imposed on a corporation having*
24 *its main office in another State that is not*

1 *engaged in the business of banking and that*
2 *seeks to engage in business in the host State.*

3 “(6) *STATE ELECTION TO PROHIBIT INTERSTATE*
4 *COMBINATIONS.—*

5 “(A) *IN GENERAL.—*Paragraph (1) does not
6 *apply to a bank holding company located in a*
7 *State that has enacted a law after the date of en-*
8 *actment of this subsection and prior to June 1,*
9 *1997, that applies equally to all out-of-State*
10 *banks, and that expressly prohibits interstate*
11 *combinations involving a bank located in the*
12 *State, as authorized under paragraph (1).*

13 “(B) *EFFECT OF PROHIBITION.—*A bank lo-
14 *cated in a State that has in effect a prohibition*
15 *described in subparagraph (A) may not be com-*
16 *bined, and shall have no authority to be com-*
17 *bined under paragraph (1), with a bank located*
18 *outside of that State.*

19 “(C) *EFFECT OF STATE ELECTION.—*A law
20 *enacted by a State pursuant to subparagraph*
21 *(A) or paragraph (8) shall have no effect on com-*
22 *binations that were approved prior to the effec-*
23 *tive date or the date of enactment of such law,*
24 *whichever is later.*

1 “(7) *STATE ELECTION TO PERMIT INTERSTATE*
2 *COMBINATIONS.*—A combination under paragraph (1)
3 may be undertaken prior to June 1, 1997, if each of
4 the States in which 1 or more banks that are to be
5 combined into a single, resulting bank is located has
6 in effect on the date on which the combination is ap-
7 proved a law that applies equally to all out-of-State
8 banks and that expressly permits interstate combina-
9 tions by national and State-chartered banks. A State
10 described in the preceding sentence may impose con-
11 ditions on the branch of the resulting bank located in
12 that State if—

13 “(A) the conditions do not have the effect of
14 discriminating against out-of-State banks, out-
15 of-State bank holding companies, or subsidiaries
16 thereof (other than on the basis of a reciprocal
17 treatment requirement);

18 “(B) the imposition of the conditions is not
19 preempted by Federal law; and

20 “(C) the conditions do not apply or require
21 performance beyond June 1, 1997.

22 “(8) *COMBINATIONS AFTER JUNE 1, 1997.*—A
23 State described in paragraphs (6) or (7) may elect at
24 any later time to permit or withdraw permission for
25 interstate combinations authorized under paragraph

1 *(1) if such State enacts a law that applies equally to*
2 *all out-of-State banks and that expressly permits (or*
3 *withdraws permission for, as the case may be) inter-*
4 *state combinations by all national and State banks.*

5 “(9) *LIMITATIONS.—Nothing in this subsection—*

6 “(A) *affects Federal or State antitrust laws*
7 *that do not have the effect of discriminating*
8 *against out-of-State banks, out-of-State bank*
9 *holding companies, or subsidiaries thereof; or*

10 “(B) *affects section 5197 of the Revised*
11 *Statutes or section 27 of the Federal Deposit In-*
12 *surance Act.*

13 “(10) *RESERVATION OF CERTAIN RIGHTS TO*
14 *STATES.—Nothing in this subsection limits in any*
15 *way the right of a State to—*

16 “(A) *determine the authority of State banks*
17 *chartered in that State to acquire, establish, and*
18 *maintain branches; or*

19 “(B) *supervise, regulate, and examine State*
20 *banks chartered by that State.*

21 “(11) *NO EFFECT ON STATE TAX AUTHORITY.—*
22 *No provision of this Act shall be construed as affect-*
23 *ing the authority of any State or political subdivision*
24 *of any State to adopt, apply, and administer any tax*
25 *or method of taxation to any bank, bank holding com-*

1 pany, or foreign bank or to any affiliate of any bank,
2 bank holding company, or foreign bank to the extent
3 that such tax or tax method is otherwise permissible
4 by or under the Constitution of the United States or
5 other Federal law.

6 “(12) DEFINITIONS.—For purposes of this sub-
7 section—

8 “(A) the term ‘combined bank’ means any
9 bank participating in a combination under
10 paragraph (1), other than the resulting bank;

11 “(B) the term ‘host State’ means the State
12 in which a bank establishes or maintains a
13 branch other than the State in which the bank
14 is located and engaged in the business of bank-
15 ing;

16 “(C) a bank shall be deemed to be ‘lo-
17 cated’—

18 “(i) in the case of a State bank, in the
19 State in which it was chartered; and

20 “(ii) in the case of a national bank, in
21 the State in which its main office is located;

22 “(D) the term ‘resulting bank’ means a
23 banking subsidiary of a bank holding company
24 that has resulted from a transaction effected
25 under paragraph (1) involving the combination

1 *of 2 or more subsidiary banks of the bank hold-*
 2 *ing company located in 2 or more States; and*

3 *“(E) the term ‘State bank’ has the same*
 4 *meaning as in section 3 of the Federal Deposit*
 5 *Insurance Act.”.*

6 *(b) CONFORMING AMENDMENT TO THE NATIONAL*
 7 *BANK ACT.—Section 5155(c) of the Revised Statutes (12*
 8 *U.S.C. 36(c)) is amended in the first sentence, by striking*
 9 *“A national banking association” and inserting “Except as*
 10 *provided in section 3(h) of the Bank Holding Company Act*
 11 *of 1956, a national banking association”.*

12 **SEC. 104. AMENDMENTS TO FEDERAL DEPOSIT INSURANCE**
 13 **ACT AND THE ACT ENTITLED “AN ACT TO**
 14 **PROVIDE FOR THE CONSOLIDATION OF NA-**
 15 **TIONAL BANKING ASSOCIATIONS”.**

16 *(a) FEDERAL DEPOSIT INSURANCE ACT AMEND-*
 17 *MENTS.—Section 18(d) of the Federal Deposit Insurance*
 18 *Act (12 U.S.C. 1828(d)) is amended by adding at the end*
 19 *the following new paragraphs:*

20 *“(3) COORDINATION OF EXAMINATION AUTHOR-*
 21 *ITY.—*

22 *“(A) IN GENERAL.—The appropriate State*
 23 *official of a host State may examine a branch*
 24 *operated in such State of a bank chartered by a*
 25 *State other than that host State that resulted*

1 *from a combination effected under section 3(h) of*
2 *the Bank Holding Company Act of 1956—*

3 “(i) *for the purpose of determining*
4 *compliance with host State laws, including*
5 *those that govern banking, taxation, com-*
6 *munity reinvestment, fair lending,*
7 *consumer protection, and permissible activi-*
8 *ties; and*

9 “(ii) *to ensure that the activities of the*
10 *branch are not conducted in an unsafe or*
11 *unsound manner.*

12 “(B) *ENFORCEMENT.—In the event that the*
13 *State bank supervisor of the host State deter-*
14 *mines that there is a violation of the law of the*
15 *host State concerning the activities being con-*
16 *ducted by a branch described in subparagraph*
17 *(A), the State bank supervisor of the host State*
18 *may undertake such enforcement actions and*
19 *proceedings as would be permitted under the law*
20 *of the host State as if the branch were a bank*
21 *chartered by that host State.*

22 “(C) *COOPERATIVE AGREEMENT.—The*
23 *State bank supervisors from 2 or more States*
24 *may enter into cooperative agreements to facili-*
25 *tate State regulatory supervision of State-char-*

1 *tered banks, including cooperative agreements re-*
2 *lating to the coordination of examinations and*
3 *joint participation in examinations.*

4 *“(D) FEDERAL REGULATORY AUTHORITY.—*
5 *Nothing in this subsection limits in any way the*
6 *authority of the appropriate Federal banking*
7 *agency to examine or to take any enforcement*
8 *actions or proceedings against any bank or*
9 *branch of a bank for which the agency is the ap-*
10 *propriate Federal banking agency.*

11 *“(E) REVIEW OF INTERSTATE AGREE-*
12 *MENTS.—If the appropriate Federal banking*
13 *agency determines that the States have reached*
14 *an agreement under subparagraph (C) that ade-*
15 *quately protects the deposit insurance funds, the*
16 *appropriate Federal banking agency may defer*
17 *to State examinations of branches operated in*
18 *the host State by out-of-State banks.*

19 *“(4) NO EFFECT ON STATE TAX AUTHORITY.—No*
20 *provision of this Act shall be construed as affecting*
21 *the authority of any State or political subdivision of*
22 *any State to adopt, apply, and administer any tax*
23 *or method of taxation to any bank, bank holding com-*
24 *pany, or foreign bank or to any affiliate of any bank,*
25 *bank holding company, or foreign bank to the extent*

1 *that such tax or tax method is otherwise permissible*
2 *by or under the Constitution of the United States or*
3 *other Federal law.”.*

4 **(b) NATIONAL BANKING ASSOCIATIONS.**—*The Act enti-*
5 *tled “An Act to provide for the consolidation of national*
6 *banking associations”, approved November 7, 1918 (12*
7 *U.S.C. 215 et seq.) is amended—*

8 *(1) in the first sentence of subsection (a) of the*
9 *first section, by inserting “, or in any State in which*
10 *a bank is authorized to engage in an interstate con-*
11 *solidation pursuant to section 3(h) of the Bank Hold-*
12 *ing Company Act of 1956,” after “located in the same*
13 *State”;*

14 *(2) by inserting before the period at the end of*
15 *subsection (d) of the first section “, except that the ap-*
16 *plicability of State law to an interstate consolidation*
17 *undertaken in accordance with section 3(h) of the*
18 *Bank Holding Company Act of 1956 is determined in*
19 *accordance with the provisions of that section”;*

20 *(3) by adding at the end of the first section the*
21 *following new subsection:*

22 *“(h) An interstate consolidation—*

23 *“(1) shall be undertaken under this section pur-*
24 *suant to the procedures, restrictions, and require-*
25 *ments—*

1 “(A) set forth in section 3(h) of the Bank
2 Holding Company Act of 1956 as if such inter-
3 state consolidation were a combination under
4 that section; and

5 “(B) set forth in this section, to the extent
6 that such procedures, restrictions, and require-
7 ments are not inconsistent with those of section
8 3(h) of the Bank Holding Company Act of 1956;
9 and

10 “(2) involving banks that are not affiliated (as
11 such term is defined in section 2 of the Bank Holding
12 Company Act of 1956) shall meet the requirements of
13 section 3(d) of the Bank Holding Company Act of
14 1956, as determined by the Comptroller of the Cur-
15 rency, as if such consolidation were an acquisition
16 under that section 3(d).”;

17 (4) in the first sentence of section 2(a)—

18 (A) by striking “under an agreement not
19 inconsistent with this Act,”; and

20 (B) by inserting “or within any State in
21 which a bank is authorized to engage in an
22 interstate merger pursuant to section 3(h) of the
23 Bank Holding Company Act of 1956,” after “lo-
24 cated within the same State,”;

1 (5) *in the sixth sentence of section 2(d) by insert-*
2 *ing before the period “, except that the applicability*
3 *of State law to a merger undertaken in accordance*
4 *with section 3(h) of the Bank Holding Company Act*
5 *of 1956 is determined in accordance with the provi-*
6 *sions of that section”;*

7 (6) *in section 2, by adding at the end the follow-*
8 *ing new subsection:*

9 “(h)(1) *An interstate merger—*

10 *“(A) shall be undertaken under this section*
11 *pursuant to the procedures, restrictions, and re-*
12 *quirements—*

13 *“(i) set forth in section 3(h) of the*
14 *Bank Holding Company Act of 1956 as if*
15 *such merger were a combination under that*
16 *section; and*

17 *“(ii) set forth in this section, to the ex-*
18 *tent that such procedures, restrictions, and*
19 *requirements are not inconsistent with those*
20 *of section 3(h) of the Bank Holding Com-*
21 *pany Act of 1956; and*

22 *“(B) involving banks that are not affiliated*
23 *(as such term is defined in section 2 of the Bank*
24 *Holding Company Act of 1956) shall meet the*
25 *requirements of section 3(d) of the Bank Holding*

1 *Company Act of 1956, as determined by the*
 2 *Comptroller of the Currency, as if such merger*
 3 *were an acquisition under that section 3(d).*

4 “(2) Paragraph (1) shall apply to a State mem-
 5 ber bank involved in an interstate merger on the same
 6 terms and conditions and subject to the same proce-
 7 dures, restrictions, and requirements as are applicable
 8 to the consolidation of branches by a national bank-
 9 ing association involved in an interstate merger.”;
 10 and

11 (7) in paragraph (4) of section 3, by inserting
 12 “or within any State in which a bank is authorized
 13 to engage in an interstate consolidation, merger, or
 14 other transaction pursuant to section 3(h) of the Bank
 15 Holding Company Act of 1956,” after “within the
 16 same State,”.

17 **SEC. 105. ACQUISITION OF INTERSTATE BRANCHES BY NA-**
 18 **TIONAL AND STATE BANKS.**

19 (a) *ACQUISITION OF INTERSTATE BRANCHES BY*
 20 *STATE BANKS.*—Section 18(d) of the Federal Deposit In-
 21 surance Act (12 U.S.C. 1828(d)) is amended by adding at
 22 the end the following new paragraphs:

23 “(4) *INTERSTATE BRANCHING BY STATE*
 24 *BANKS.*—

1 “(A) *IN GENERAL.*—Beginning on the date
2 of enactment of this paragraph, notwithstanding
3 any other provision of law, a host State may, ex-
4 pressly by statute and not merely by implica-
5 tion, permit all out-of-State banks to acquire or
6 establish a branch in the host State on a basis
7 that does not have the effect of discriminating
8 against out-of-State banks, out-of-State bank
9 holding companies, or subsidiaries thereof. A
10 branch established under this paragraph shall be
11 operated in accordance with the procedures, re-
12 strictions, and requirements set forth in section
13 3(h) of the Bank Holding Company Act of 1956,
14 and the provisions of that section shall apply to
15 the branch as if the branch resulted from a com-
16 bination effected in accordance with paragraph
17 (1) of that section 3(h).

18 “(B) *FDIC APPROVAL.*—A State
19 nonmember bank may acquire, establish, and op-
20 erate a branch under this paragraph only if the
21 bank is adequately capitalized and adequately
22 managed and with the prior consent of the Cor-
23 poration.

24 “(5) *DEFINITIONS.*—For purposes of this sub-
25 section—

1 “(A) the term ‘host State’ means a State in
 2 which a bank acquires, establishes, or maintains
 3 a branch, other than the State in which the bank
 4 is located and engaged in the business of bank-
 5 ing;

6 “(B) a bank shall be deemed to be ‘lo-
 7 cated’—

8 “(i) in the case of a State bank, in the
 9 State in which it was chartered; and

10 “(ii) in the case of a national bank, in
 11 the State in which its main office is located;
 12 and

13 “(C) the term ‘adequately capitalized’ has
 14 the same meaning as in section 38.”.

15 (b) *INTERSTATE BRANCHING BY NATIONAL BANKS.*—
 16 Section 5155 of the Revised Statutes (12 U.S.C. 36) is
 17 amended—

18 (1) by redesignating subsections (d) through (h)
 19 as subsections (e) through (i), respectively; and

20 (2) by inserting after subsection (c) the following
 21 new subsection:

22 “(d) *INTERSTATE BRANCHING BY NATIONAL BANKS.*—

23 “(1) *APPROVALS AUTHORIZED.*—Notwithstand-
 24 ing any other provision of law, the Comptroller of the
 25 Currency may approve an application under this

1 *subsection for a national bank that is adequately cap-*
 2 *italized and adequately managed to acquire or estab-*
 3 *lish a branch in a host State if the host State ex-*
 4 *pressly permits, pursuant to section 18(d)(4) of the*
 5 *Federal Deposit Insurance Act, all out-of-State banks*
 6 *to establish such branches. Each such branch shall be*
 7 *operated in accordance with the procedures, restric-*
 8 *tions, and requirements set forth in section 3(h) of the*
 9 *Bank Holding Company Act of 1956, and the provi-*
 10 *sions of that section shall apply to the branch as if*
 11 *the branch resulted from a combination effected in ac-*
 12 *cordance with paragraph (1) of that section 3(h).*

13 *“(2) DEFINITIONS.—For purposes of this sub-*
 14 *section—*

15 *“(A) the term ‘host State’ means the State*
 16 *in which a national bank establishes a branch*
 17 *under paragraph (1); and*

18 *“(B) the term ‘adequately capitalized’ has*
 19 *the same meaning as in section 38 of the Federal*
 20 *Deposit Insurance Act.”.*

21 **SEC. 106. COMMUNITY REINVESTMENT ACT EVALUATION OF**
 22 **BANKS WITH INTERSTATE BRANCHES.**

23 *(a) IN GENERAL.—Section 807 of the Community Re-*
 24 *investment Act of 1977 (12 U.S.C. 2906) is amended by*
 25 *adding at the end the following new subsections:*

1 “(d) *INSTITUTIONS WITH INTERSTATE BRANCHES.*—

2 “(1) *STATE-BY-STATE EVALUATION.*—*In the case*
3 *of a regulated financial institution that maintains*
4 *domestic branches in 2 or more States, the appro-*
5 *priate Federal financial supervisory agency shall*
6 *prepare—*

7 “(A) *a written evaluation of the entire in-*
8 *stitution’s record of performance under this title,*
9 *as required by subsections (a), (b), and (c); and*

10 “(B) *for each State in which the institution*
11 *maintains 1 or more domestic branches, a sepa-*
12 *rate written evaluation of the institution’s record*
13 *of performance within such State under this*
14 *title, as required by subsections (a), (b), and (c).*

15 “(2) *MULTISTATE METROPOLITAN AREAS.*—*In*
16 *the case of a regulated financial institution that*
17 *maintains domestic branches in 2 or more States*
18 *within a multistate metropolitan area, the appro-*
19 *priate Federal financial supervisory agency shall pre-*
20 *pare a separate written evaluation of the institution’s*
21 *record of performance within such metropolitan area*
22 *under this title, as required by subsections (a), (b),*
23 *and (c). If the agency prepares a written evaluation*
24 *pursuant to this paragraph, the scope of the written*

1 *evaluation required under paragraph (1)(B) shall be*
2 *adjusted accordingly.*

3 “(3) *CONTENT OF STATE LEVEL EVALUATION.*—
4 *A written evaluation prepared pursuant to paragraph*
5 *(1)(B) shall—*

6 “(A) *present the information required by*
7 *subparagraphs (A) and (B) of subsection (b)(1)*
8 *separately for each metropolitan area in which*
9 *the institution maintains 1 or more domestic*
10 *branch offices and separately for the remainder*
11 *of the nonmetropolitan area of the State if the*
12 *institution maintains 1 or more domestic branch*
13 *offices in such nonmetropolitan area; and*

14 “(B) *describe how the Federal financial su-*
15 *pervisory agency has performed the examination*
16 *of the institution, including a list of the individ-*
17 *ual branches examined.*

18 “(e) *DEFINITIONS.*—*For purposes of this section the*
19 *following definitions shall apply:*

20 “(1) *DOMESTIC BRANCH.*—*The term ‘domestic*
21 *branch’ means any branch office or other facility of*
22 *a regulated financial institution that accepts deposits,*
23 *located in any State.*

24 “(2) *METROPOLITAN AREA.*—*The term ‘metro-*
25 *politan area’ means any primary metropolitan*

1 *statistical area, metropolitan statistical area, or con-*
 2 *solidated metropolitan statistical area, as defined by*
 3 *the Director of the Office of Management and Budget,*
 4 *with a population of 250,000 or more, and any other*
 5 *area identified by the appropriate Federal financial*
 6 *supervisory agency.*

7 “(3) *STATE*.—The term ‘State’ has the same
 8 *meaning as in section 3 of the Federal Deposit Insur-*
 9 *ance Act.*”.

10 (b) *SEPARATE PRESENTATION*.—Section 807(b)(1) of
 11 *the Community Reinvestment Act of 1977 (12 U.S.C.*
 12 *2906(b)(1)) is amended—*

13 (1) *by redesignating subparagraphs (A) through*
 14 *(C) as clauses (i) through (iii), respectively;*

15 (2) *by striking “The public” and inserting the*
 16 *following:*

17 “(A) *CONTENTS OF WRITTEN EVALUA-*
 18 *TION*.—The public”; and

19 (3) *by adding at the end the following new sub-*
 20 *paragraph:*

21 “(B) *METROPOLITAN AREA DISTINCTIONS*.—
 22 *The information required by clauses (i) and (ii)*
 23 *of subparagraph (A) shall be presented sepa-*
 24 *rately for each metropolitan area in which a reg-*

1 *ulated depository institution maintains one or*
2 *more domestic branch offices.”.*

3 **SEC. 107. FLEXIBILITY IN CHOOSING BOARDS OF DIREC-**
4 **TORS.**

5 *Section 5146 of the Revised Statutes (12 U.S.C. 72)*
6 *is amended in the first sentence by striking “two-thirds”*
7 *and inserting “a majority”.*

8 **SEC. 108. GAO REPORT ON DATA COLLECTION UNDER**
9 **INTERSTATE BRANCHING.**

10 *(a) IN GENERAL.—The Comptroller General shall sub-*
11 *mit to the Congress, not later than 9 months after the date*
12 *of enactment of this Act, a report that—*

13 *(1) examines statutory and regulatory require-*
14 *ments for insured depository institutions to collect*
15 *and report deposit and lending data; and*

16 *(2) determines what modifications to such re-*
17 *quirements are needed, so that implementing the*
18 *interstate branching provisions contained in this Act*
19 *results in no material loss of information important*
20 *to regulatory or congressional oversight of insured de-*
21 *pository institutions.*

22 *(b) CONSULTATION.—The Comptroller General, in pre-*
23 *paring the report required by this section, shall consult with*
24 *individuals representing the appropriate Federal banking*

1 agencies, insured depository institutions, consumers, com-
 2 munity groups, and other interested parties.

3 (c) *DEFINITIONS.*—For purposes of this section, the
 4 terms “appropriate Federal banking agency” and “insured
 5 depository institution” have the same meanings as in sec-
 6 tion 3 of the Federal Deposit Insurance Act.

7 **SEC. 109. MAXIMUM INTEREST RATE ON CERTAIN FmHA**
 8 **LOANS.**

9 (a) *IN GENERAL.*—Section 307(a) of the Consolidated
 10 Farm and Rural Development Act (7 U.S.C. 1927(a)) is
 11 amended—

12 (1) in paragraph (3)(A), by striking “Except”
 13 and inserting “Notwithstanding the provisions of the
 14 constitution or laws of any State limiting the rate or
 15 amount of interest that may be charged, taken, re-
 16 ceived, or reserved, except”; and

17 (2) in paragraph (5)—

18 (A) by striking “(5) The” and inserting
 19 “(5)(A) Except as provided in subparagraph
 20 (B), the”; and

21 (B) by adding at the end the following new
 22 subparagraph:

23 “(B) In the case of a loan made under section 310B
 24 as a guaranteed loan, subparagraph (A) shall apply not-
 25 withstanding the provisions of the constitution or laws of

1 *any State limiting the rate or amount of interest that may*
2 *be charged, taken, received, or reserved.”.*

3 *(b) EFFECTIVE DATES.—*

4 *(1) IN GENERAL.—Except as provided in para-*
5 *graphs (2) and (3), the amendments made by sub-*
6 *section (a) shall apply to a loan made, insured, or*
7 *guaranteed under the Consolidated Farm and Rural*
8 *Development Act (7 U.S.C. 1921 et seq.) in a State*
9 *on or after the date of enactment of this Act.*

10 *(2) STATE OPTION.—Except as provided in*
11 *paragraph (3), the amendments made by subsection*
12 *(a) shall not apply to a loan made, insured, or guar-*
13 *anteed under the Consolidated Farm and Rural De-*
14 *velopment Act in a State after the date (that occurs*
15 *during the 3-year period beginning on the date of en-*
16 *actment of this Act) on which the State adopts a law*
17 *or certifies that the voters of the State have voted in*
18 *favor of a provision of the constitution or law of the*
19 *State that states that the State does not want the*
20 *amendments made by subsection (a) to apply with re-*
21 *spect to loans made, insured, or guaranteed under*
22 *such Act in the State.*

23 *(3) TRANSITIONAL PERIOD.—In any case in*
24 *which a State takes an action described in paragraph*
25 *(2), the amendments made by subsection (a) shall*

1 *continue to apply to a loan made, insured, or guar-*
2 *anteed under the Consolidated Farm and Rural De-*
3 *velopment Act in the State after the date the action*
4 *was taken pursuant to a commitment for the loan*
5 *that was entered into during the period beginning on*
6 *the date of enactment of this Act, and ending on the*
7 *date on which the State takes the action.*

8 ***TITLE II—BANK AND THRIFT***
9 ***STATUTE OF LIMITATIONS***

10 ***SEC. 201. SHORT TITLE.***

11 *This title may be cited as the “Bank and Thrift*
12 *Statute of Limitations Clarification Act of 1994”.*

13 ***SEC. 202. AMENDMENT TO FEDERAL DEPOSIT INSURANCE***
14 ***ACT.***

15 *Section 11(d)(14)(B)(i) of the Federal Deposit Insur-*
16 *ance Act (12 U.S.C. 1821(d)(14)(B)(i)) is amended by in-*
17 *serting after “receiver” the following: “, regardless of wheth-*
18 *er the claim may have been barred under any otherwise*
19 *applicable statute of limitation at the date of such appoint-*
20 *ment, unless such claim was barred more than 5 years be-*
21 *fore the date of such appointment”.*

22 ***SEC. 203. APPLICABILITY.***

23 *The amendment made by section 202 shall apply to*
24 *all actions pending or brought by the Federal Deposit In-*

1 *urance Corporation and the Resolution Trust Corporation*
 2 *as conservator or receiver on or after August 9, 1989.*

3 ***TITLE III—FINANCIAL SERVICES***

4 ***SEC. 301. SHORT TITLE.***

5 *This title may be cited at the “National Commission*
 6 *on Financial Services Act”.*

7 ***SEC. 302. ESTABLISHMENT OF NATIONAL COMMISSION ON*** 8 ***FINANCIAL SERVICES.***

9 *(a) ESTABLISHMENT.—There is established a commis-*
 10 *sion to be known as the “National Commission on Finan-*
 11 *cial Services” (hereafter in this title referred to as the*
 12 *“Commission”).*

13 *(b) MEMBERSHIP OF THE COMMISSION.—*

14 *(1) COMPOSITION.—The Commission shall be*
 15 *composed of 7 voting members and 3 nonvoting mem-*
 16 *bers appointed as follows:*

17 *(A) Three voting members and 1 nonvoting*
 18 *member to be appointed by the President.*

19 *(B) Two voting members and 1 nonvoting*
 20 *member to be appointed jointly by the Majority*
 21 *Leader of the Senate and the Speaker of the*
 22 *House of Representatives.*

23 *(C) Two voting members and 1 nonvoting*
 24 *member appointed jointly by the Minority Lead-*

1 *er of the Senate and the Minority Leader of the*
2 *House of Representatives.*

3 *(2) QUALIFICATIONS.—*

4 *(A) VOTING MEMBERS.—*

5 *(i) IN GENERAL.—Voting members ap-*
6 *pointed pursuant to paragraph (1) shall be*
7 *appointed from among individuals who are*
8 *users of the financial services system, and*
9 *shall include representatives of business, ag-*
10 *riculture, and consumers.*

11 *(ii) PROHIBITION.—No voting member*
12 *of the Commission shall be an employee of*
13 *the Federal Government or any State gov-*
14 *ernment.*

15 *(B) NONVOTING MEMBERS.—Nonvoting*
16 *members appointed pursuant to paragraph (1)*
17 *shall be appointed from among individuals who*
18 *are experts in finance or in the financial services*
19 *system.*

20 *(3) APPOINTMENT.—The appointment of the*
21 *members of the Commission shall be made not later*
22 *than June 30, 1994.*

23 *(4) TERMS.—Members shall be appointed for the*
24 *life of the Commission.*

1 (5) *VACANCIES.*—A vacancy in the Commission
2 shall not affect the powers of the Commission and
3 shall be filled in the same manner in which the origi-
4 nal appointment was made.

5 (6) *CHAIRPERSON.*—The President shall des-
6 ignate 1 of the voting members of the Commission to
7 serve as the chairperson of the Commission (hereafter
8 in this title referred to as the “Chairperson”).

9 (7) *INITIAL MEETING.*—Not later than 30 days
10 after the date on which all members of the Commis-
11 sion have been appointed, the Commission shall hold
12 its first meeting.

13 (8) *MEETINGS.*—The Commission shall meet at
14 the call of the Chairperson.

15 (9) *QUORUM.*—A majority of the members of the
16 Commission shall constitute a quorum, but a lesser
17 number of members may hold hearings.

18 **SEC. 303. DUTIES OF THE COMMISSION.**

19 (a) *STUDY.*—

20 (1) *IN GENERAL.*—The Commission shall, after
21 consultation in accordance with paragraph (3), con-
22 duct a study of all matters relating to the strengths
23 and weaknesses of the United States financial services
24 system in meeting the needs of users of the system, in-
25 cluding all laws, regulations, and policies that govern

1 *part or all of the financial services industry or that*
2 *affect the ability of the financial services industry to*
3 *effectively and efficiently meet the needs of—*

4 *(A) the United States economy;*

5 *(B) individual consumers and households;*

6 *(C) communities;*

7 *(D) agriculture;*

8 *(E) small-, medium-, and large-sized busi-*
9 *nesses (including the need for debt, equity, and*
10 *other financial needs);*

11 *(F) governmental and nonprofit entities;*

12 *and*

13 *(G) exporters and other users of inter-*
14 *national financial services.*

15 *(2) MATTERS STUDIED.—The study required*
16 *under paragraph (1) shall include consideration of—*

17 *(A) the changes underway in the national*
18 *and international economies and the financial*
19 *services industry, and the impact of such changes*
20 *on the ability of the financial services system to*
21 *efficiently meet the needs of the United States*
22 *economy and the users of the system during the*
23 *next 10 years and beyond;*

24 *(B) the adequacy of the existing framework*
25 *of Federal and State laws and regulations, and*

1 *the extent to which Federal laws and regulations,*
2 *in an efficient and cost-effective manner—*

3 *(i) achieve consumer protection objec-*
4 *tives;*

5 *(ii) promote competition and prevent*
6 *anticompetitive acts and practices or undue*
7 *concentration;*

8 *(iii) ensure that the financial services*
9 *are delivered in a nondiscriminatory and*
10 *cost-efficient manner; and*

11 *(iv) ensure access to the financial serv-*
12 *ices system for all potential users of the sys-*
13 *tem, regardless of where such users are lo-*
14 *cated; and*

15 *(C) the extent to which the Federal regu-*
16 *latory structure impacts the achievement of the*
17 *objectives in subparagraph (B).*

18 *(3) CONSULTATION.—Consultation in accordance*
19 *with this paragraph means consultation with—*

20 *(A) the Board of Governors of the Federal*
21 *Reserve System;*

22 *(B) the Director of the Office of Thrift Su-*
23 *pervision;*

24 *(C) the Chairperson of the Federal Deposit*
25 *Insurance Corporation;*

1 (D) the Comptroller of the Currency;

2 (E) the Secretary of the Treasury;

3 (F) the Secretary of the Department of
4 Housing and Urban Development;

5 (G) the Securities Exchange Commission;

6 (H) the Commodities Futures Trading
7 Commission;

8 (I) the Director of the Congressional Budget
9 Office; and

10 (J) the Comptroller General of the United
11 States.

12 (b) *RECOMMENDATIONS*.—Based on the results of the
13 study conducted under subsection (a), the Commission shall
14 develop specific recommendations for changes in laws and
15 regulations to improve the operation of the United States
16 financial services system, including needed changes in the
17 Federal legislative and regulatory policies and in the Fed-
18 eral regulatory structure that would enhance—

19 (1) the ability of the financial services system, or
20 any part thereof, to respond to the needs of all poten-
21 tial users of the system;

22 (2) the systemic safety of the financial services
23 system;

24 (3) the cost of financial services to users of the
25 system;

1 (4) *the competitiveness of the various providers*
2 *of financial services;*

3 (5) *how funds are allocated to the financial serv-*
4 *ices system; and*

5 (6) *how funds are allocated by the financial serv-*
6 *ices system to users of the system or to specific cat-*
7 *egories of users.*

8 (c) *REPORT.*—*Not later than March 31, 1995, the*
9 *Commission shall submit to the President, the Speaker of*
10 *the House of Representatives, and the President pro tempore*
11 *of the Senate a report describing the activities of the Com-*
12 *mission, including the study conducted under subsection (a)*
13 *and any recommendations developed under subsection (b).*

14 **SEC. 304. POWERS OF THE COMMISSION.**

15 (a) *HEARINGS.*—*The Commission may hold such hear-*
16 *ings, sit and act at such times and places, take such testi-*
17 *mony, and receive such evidence as the Commission consid-*
18 *ers advisable to carry out this section.*

19 (b) *OBTAINING OFFICIAL DATA.*—*The Commission*
20 *may secure directly from any Federal department or agency*
21 *such information (other than information required by any*
22 *statute of the United States to be kept confidential by such*
23 *department or agency) as the Commission considers nec-*
24 *essary to carry out its duties under this section. Upon the*
25 *request of the Chairperson, the head of that department or*

1 *agency shall furnish such nonconfidential information to*
2 *the Commission.*

3 *(c) POSTAL SERVICES.—The Commission may use the*
4 *United States mails in the same manner and under the*
5 *same conditions as other departments and agencies of the*
6 *Federal Government.*

7 ***SEC. 305. COMMISSION PERSONNEL MATTERS.***

8 *(a) COMPENSATION OF MEMBERS.—Each member of*
9 *the Commission who is not an officer or employee of the*
10 *Federal Government shall be compensated at a rate equal*
11 *to the daily equivalent of the annual rate of basic pay pre-*
12 *scribed for level IV of the Executive Schedule under section*
13 *5315 of title 5, United States Code, for each day (including*
14 *travel time) during which such member is engaged in the*
15 *performance of the duties of the Commission. All members*
16 *of the Commission who are officers or employees of the Unit-*
17 *ed States shall serve without compensation in addition to*
18 *that received for their services as officers or employees of*
19 *the United States.*

20 *(b) TRAVEL EXPENSES.—The members of the Commis-*
21 *sion shall be allowed travel expenses, including per diem*
22 *in lieu of subsistence, at rates authorized for employees of*
23 *agencies under subchapter I of chapter 57 of title 5, United*
24 *States Code, while away from their homes or regular places*

1 *of business in the performance of services for the Commis-*
2 *sion.*

3 (c) *STAFF.*—

4 (1) *IN GENERAL.*—*The Chairperson may, with-*
5 *out regard to the civil service laws and regulations,*
6 *appoint and terminate an executive director and not*
7 *more than 2 additional professional staff members to*
8 *enable the Commission to perform its duties. The em-*
9 *ployment of an executive director shall be subject to*
10 *confirmation by the Commission.*

11 (2) *COMPENSATION.*—*The Chairperson may fix*
12 *the compensation of the executive director and other*
13 *personnel without regard to the provisions of chapter*
14 *51 and subchapter III of chapter 53 of title 5, United*
15 *States Code, relating to the classification of positions*
16 *and General Schedule pay rates, except that the rate*
17 *of pay for the executive director and other personnel*
18 *may not exceed the rate payable for level V of the Ex-*
19 *ecutive Schedule under section 5316 of title 5, United*
20 *States Code.*

21 (d) *DETAIL OF FEDERAL EMPLOYEES.*—*Upon the re-*
22 *quest of the Chairperson, any Federal Government employee*
23 *may be detailed to the Commission without reimbursement,*
24 *and such detail shall be without interruption or loss of civil*
25 *service status or privilege.*

1 (e) *PROCUREMENT OF TEMPORARY AND INTERMIT-*
2 *TENT SERVICES.*—*The Chairperson may procure temporary*
3 *and intermittent services under section 3109(b) of title 5,*
4 *United States Code, at rates for individuals which do not*
5 *exceed the daily equivalent of the annual rate of basic pay*
6 *prescribed for level V of the Executive Schedule under sec-*
7 *tion 5316 of title 5, United States Code.*

8 (f) *ADMINISTRATIVE SUPPORT SERVICES.*—*Upon the*
9 *request of the Chairperson, the Administrator of General*
10 *Services shall provide to the Commission, on a reimbursable*
11 *basis, the administrative support services necessary for the*
12 *Commission to carry out its responsibilities under this sec-*
13 *tion.*

14 **SEC. 306. TERMINATION OF COMMISSION.**

15 *The Commission shall terminate 30 days after the date*
16 *of submission of the report required under section 303(c).*
17 *All records and papers of the Commission shall thereupon*
18 *be delivered by the Administrator of General Services for*
19 *deposit in the National Archives.*

20 **SEC. 307. AUTHORIZATION OF APPROPRIATIONS.**

21 (a) *IN GENERAL.*—*There are authorized to be appro-*
22 *priated such sums as may be necessary to carry out this*
23 *Act.*

1 (b) *AVAILABILITY.*—Any sums appropriated under the
2 authorization contained in this section shall remain avail-
3 able, without fiscal year limitation, until expended.

4 ***TITLE IV—GENERAL PROVISIONS***

5 ***SEC. 401. MOUNT RUSHMORE COMMEMORATIVE COIN ACT.***

6 (a) *DISTRIBUTION OF SURCHARGES.*—Section 8 of the
7 Mount Rushmore Commemorative Coin Act (104 Stat. 314;
8 31 U.S.C. 5112 note) is amended by striking paragraphs
9 (1) and (2) and inserting the following:

10 “(1) the first \$18,750,000 shall be paid during
11 fiscal year 1994 by the Secretary to the Society to as-
12 sist the Society’s efforts to improve, enlarge, and ren-
13 ovate the Mount Rushmore National Memorial; and

14 “(2) the remainder shall be returned to the Fed-
15 eral Treasury for purposes of reducing the national
16 debt.”.

17 (b) *RETROACTIVE EFFECT.*—If, prior to the enactment
18 of this Act, any amount of surcharges have been received
19 by the Secretary of the Treasury and paid into the United
20 States Treasury pursuant to section 8(1) of the Mount
21 Rushmore Commemorative Coin Act, as in effect prior to
22 the enactment of this Act, that amount shall be paid out
23 of the Treasury to the extent necessary to comply with sec-
24 tion 8(1) of the Mount Rushmore Commemorative Coin Act,
25 as in effect after the enactment of this Act. Amounts paid

1 *pursuant to the preceding sentence shall be out of funds not*
2 *otherwise appropriated.*

3 (c) *NUMISMATIC OPERATING PROFITS.*—*Nothing in*
4 *this section shall be construed to affect the Secretary of the*
5 *Treasury’s right to derive operating profits from numis-*
6 *matic programs for use in supporting the United States*
7 *Mint’s numismatic operations and programs or to allow the*
8 *distribution of operating profits from the Numismatic Pub-*
9 *lic Enterprise Fund to a recipient organization under any*
10 *numismatic program.*

11 ***SEC. 402. SENSE OF THE SENATE CONCERNING MULTILAT-***
12 ***ERAL EXPORT CONTROLS.***

13 (a) *FINDINGS.*—*The Senate finds that—*

14 (1) *the United States and its allies have agreed*
15 *that as of March 31, 1994, the Coordinating Commit-*
16 *tee (hereafter referred to as “COCOM”), the multilat-*
17 *eral body that controlled strategic exports to the*
18 *former Soviet Union and other Communist States,*
19 *ceased to exist;*

20 (2) *no successor has yet been established to re-*
21 *place the COCOM;*

22 (3) *threats to United States security are posed*
23 *by rogue regimes that support terrorism as a matter*
24 *of national policy;*

1 (4) a critical element of the United States pro-
2 posal for a successor to COCOM is that supplier na-
3 tions agree on a list of militarily critical products
4 and technologies that would be denied to a handful of
5 rogue regimes;

6 (5) some allies of the United States oppose this
7 principle and instead propose that such controls be
8 left to “national discretion”, effectively replacing mul-
9 tilateral export controls with a loose collection of uni-
10 lateral export control policies which would be adverse
11 for United States security and economic interests;

12 (6) multilateral controls are needed to thwart ef-
13 forts of Iran, Iraq, North Korea, Libya, and other
14 rogue regimes, to acquire arms and sensitive dual-use
15 goods and technologies that could contribute to their
16 efforts to build weapons of mass destruction; and

17 (7) the United States would be forced to make
18 the difficult choice of choosing between unilateral ex-
19 port controls under the Export Administration Act of
20 1979, which would put American companies at a
21 competitive disadvantage worldwide, or allowing ex-
22 ports that could seriously harm the national security
23 interests of the United States.

24 (b) *SENSE OF THE SENATE.*—It is the sense of the Sen-
25 ate that—

1 (1) the President should work to achieve a clear-
2 ly defined and enforceable agreement with allies of the
3 United States which establishes a multilateral export
4 control system for the proliferation of products and
5 technologies to rogue regimes that would jeopardize
6 the national security of the United States; and

7 (2) the President should persuade allies of the
8 United States to promote mutual security interests by
9 preventing rogue regimes from obtaining militarily
10 critical products and technologies.

Attest:

Secretary.

HR 3841 EAS—2

HR 3841 EAS—3

HR 3841 EAS—4

HR 3841 EAS—5